BEFORL

Commission Commission

WILLIAM A. MUNDELL
CHAIRMAN
JIM IRVIN
COMMISSIONER
MARC SPITZER
COMMISSIONER

Arizona Corporation Commission DOCKETED

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2 AT COURT CONTROSION

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DOCKET NO. RT-00000F-02-0271

IN THE MATTER OF QWEST CORPORATIONS COMPLIANCE WITH SECTION 252(e) OF THE TELECOMMUNICATIONS ACT OF 1996.

PROCEDURAL ORDER

BY THE COMMISSION:

On April 8, 2002, the Staff of the Arizona Corporation Commission ("Commission") opened the above-captioned docket for the purpose of conducting an inquiry into whether Qwest Corporation ("Qwest") has complied with Section 252(e) of the Telecommunications Act of 1996. In this docket the Commission will review whether Qwest should have filed certain agreements for Commission approval, and if so, whether, and what, remedial action is appropriate.

Pursuant to Procedural Orders dated April 18, 2002, May 7, 2002, and May 20, 2002, Qwest submitted copies of the subject agreements on May 10, 2002. The Residential Utility Consumers Office ("RUCO"), AT&T Communications of the Mountain States, Inc and TCG Phoenix (collectively "AT&T") and Time Warner Telecom of Arizona, LLC (TWTA") filed Comments on Qwest's submission on May 24, 2002. Qwest filed Responsive Comments on May 31, 2002. Staff filed its Staff Report on June 7, 2002.

The Staff Report contains Staff's analysis of the applicable statutes, a description of the parties' positions and Staff's recommendations. Staff concludes that Section 252 should be read more broadly than Qwest had been reading it, and that consequently, 25 of the agreements that Qwest submitted should have been submitted to the Commission for approval. Staff recommends that Qwest be assessed fines totaling \$104,000. Staff states that it believes Qwest acted based upon a good faith interpretation of the underlying statutes and that because no material facts are in dispute, that an evidentiary hearing is not necessary. Staff recommends that the Commission impose the fines

and allow Qwest, or other party, an opportunity to request a hearing on the level of the fines, if they so desire. Staff states the Commission may also want to consider the imposition of other non-financial remedies.

In its Comments, RUCO requests that there be an opportunity for additional discovery and that a hearing be scheduled.

No party has had opportunity to comment on the Staff Report. Therefore, a Procedural Conference/Oral Argument will be held to discuss the following issues:

- 1. Are there material issues of fact?
- 2. Is additional discovery required?
- 3. What is the appropriate procedure going forward?
- 4. Should there be a hearing, and if so what should be the scope?

IT IS THEREFORE ORDERED that a Procedural Conference for the purpose of taking comments on the recommendations contained in the Staff Report and to discuss the questions set forth above, as well as any other issues related to this matter the parties wish to bring to the attention of the Commission, shall commence on June 19, 2002, at 10:00 a.m. at the Commission's offices, 1200 W. Washington Street, Phoenix, Arizona.¹

IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

ADMINIS/TR/ATIVE LAW JUDGE

DATED this day of June, 2002.

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¹ The call in number for those parties wishing to appear telephonically is (602) 542-9004.

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By:

Molly Johnson

Secretary to Jane Rodda